

Filing at a Glance

Companies: Southern Guaranty Insurance Company, Southern Pilot Insurance Company

Product Name: Hospital Property Coverage SERFF Tr Num: GCCW-125217662 State: Arkansas

Extension Endorsement

TOI: 01.0 Property

SERFF Status: Closed

State Tr Num: AR-PC-07-025495

Sub-TOI: 01.0001 Commerical Property (Fire
and Allied Lines)

Co Tr Num: 100107 10003R

State Status:

Filing Type: Form

Co Status:

Reviewer(s): Betty Montesi,
Llyweyia Rawlins, Brittany Yielding

Author: Sharon Reeve

Disposition Date: 07-26-2007

Date Submitted: 07-18-2007

Disposition Status: Approved

Effective Date Requested (New): 10-01-2007

Effective Date (New): 10-01-2007

Effective Date Requested (Renewal): 10-01-2007

Effective Date (Renewal): 10-01-
2007

General Information

Project Name: Hospital Property Coverage Extension Endorsement

Status of Filing in Domicile: Authorized

Project Number: 100107 10003R

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 07-26-2007

State Status Changed: 07-18-2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Southern Pilot Insurance Company (FEIN# 56-0773056; NAIC# 22861)

Southern Guaranty Insurance Company (FEIN# 63-0350861; NAIC# 19178)

Property Form Filing

Company Filing # 100107 10003R

Effective Date: 10/01/2007

Dear Commissioner:

We are filing to adopt the attached form CP 8013 04/07 Hospital Property Extension Endorsement. This is an expanded Property form, developed for use with Hospital risks. It is a variation of our extension endorsement, tailored with some additional coverages, unique to this class of business. There is no extra charge for this endorsement.

We hope you will be able to approve this new form, but please let us know if you have any questions.

Sincerely,

Sharon Reeve
Rate Development Technician
Home Office Commercial Standard Lines
Telephone: 608-825-5970
E-Mail: sharon.reeve@generalcasualty.com

Company and Contact

Filing Contact Information

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Filing Company Information

Southern Guaranty Insurance Company	CoCode: 19178	State of Domicile: Wisconsin
One General Drive	Group Code: 796	Company Type: Property & Casualty
Sun Prairie, WI 53596	Group Name:	State ID Number:
(608) 837-4440 ext. [Phone]	FEIN Number: 63-0350861	

Southern Pilot Insurance Company	CoCode: 22861	State of Domicile: Wisconsin
One General Drive	Group Code: 796	Company Type: Property & Casualty
Sun Prairie, WI 53596	Group Name:	State ID Number:
(608) 837-4440 ext. [Phone]	FEIN Number: 56-0773056	

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	
Per Company:	No

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	07-26-2007	07-26-2007

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Filing Fee	Note To Reviewer	Sharon Reeve	07-26-2007	07-26-2007
Filing Fee \$50	Note To Filer	Llyweyia Rawlins	07-26-2007	07-26-2007

Disposition

Disposition Date: 07-26-2007

Effective Date (New): 10-01-2007

Effective Date (Renewal): 10-01-2007

Status: Approved

Comment:

Rate data does NOT apply to filing.

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Form	Hospital Propert Coverage Extension Endorsement	Approved	Yes

Note To Reviewer

Created By:

Sharon Reeve on 07-26-2007 11:01 AM

Subject:

Filing Fee

Comments:

A check in the amount of \$50.00 will be mailed to satisfy your state filing fee.

Thank You

Sharon Reeve

Note To Filer

Created By:

Llyweyia Rawlins on 07-26-2007 09:51 AM

Subject:

Filing Fee \$50

Comments:

Before I can approve this form filing, it will be contingent on receiving the filing fee of \$50.

Will it be sent in the mail?

Thank You

Llyweyia Rawlins

Certified Rate and Form Analyst

Property and Casualty Division

501-371-2809 Fax 501-371-2748L

Email: Llyweyia.rawlins@arkansas.gov

Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Hospital Property Coverage Extension Endorsement	CP 8013	0407	Endorsement New Amendment/Conditions		0.00	CP8013 0407 Hospital Property.pdf

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOSPITAL PROPERTY COVERAGE EXTENSION ENDORSEMENT

The following modifies insurance provided under:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS — BROAD FORM
CAUSES OF LOSS — SPECIAL FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM

I. BLANKET COVERAGE EXTENSIONS

With respect to the following Coverage Extensions, found under this Section I. BLANKET COVERAGE EXTENSIONS, A. through I., we will pay up to \$250,000, for loss or damage caused by a Covered Cause of Loss.

You may apply this limit to one or any combination of these Coverage Extensions, but under no circumstances will the aggregate apportionment be permitted to exceed the Blanket Coverage Extension Limit for any one location.

If you purchase coverage separately for any of the blanketed coverages, the limit available in this Blanket Coverage Extension will be in addition to the specific limit purchased.

This Blanket Coverage Extensions Limit of insurance applies separately at each covered location shown in the Declarations and is subject to the Property Deductible shown in the Declarations.

A. ELECTRONIC DATA PROCESSING EQUIPMENT AND MEDIA

1. We will pay for loss or damage to:

- a. "Electronic Data Processing Equipment", and related component parts that are:
 - (1) Owned by you; or
 - (2) Leased, rented or under your control and for which you are liable;
- b. Your "data" and "media" or "data" and "media" for which you are liable.

2. If the Causes of Loss — Special Form applies, the following Exclusions do not apply to this Extension:

- a. Exclusion 1.b. (Earth Movement);
- b. Exclusion 1.e. (Utility Services);
- c. Exclusion 1.g. (Water);
- d. Exclusion 2.a. (Artificially generated electric current);
- e. Exclusion 2.d.(6) (Mechanical breakdown);
- f. Exclusion 2.d.(7) (Changes in or extremes of temperature or humidity and marring or scratching).

3. As used in this Extension:

- a. "Electronic Data Processing Equipment" means desktop or mainframe computers. "Electronic Data Processing Equipment" does not mean computerized equipment or related component parts used to operate or direct machinery;
 - b. "Data" means the information stored on "media", including computer programs.
 - c. "Media" means the material on which "data" is stored. "Media" also includes instructional materials provided with computer programs.
4. The value of the Covered Property will be determined as follows:

- a. Equipment will be valued per the Valuation Condition, item 7. of the LOSS CONDITIONS in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;
- b. Data at the actual cost of reproducing the data. If data is not replaced or reproduced, then the cost of blank media;
- c. Media at the actual cost to repair or replace the property with material of like kind and quality.

B. ACCOUNTS RECEIVABLE

1. We will pay:
 - a. All amounts due from your customers you are unable to collect, including sums you are unable to collect as a direct result of loss or damage to credit card slips;
 - b. Interest charges on any loan required to offset amounts you are unable to collect;
 - c. Collection expenses in excess of your normal collection expenses that are made necessary by the "loss"; and
 - d. Other reasonable expenses that you incur to re-establish your records of accounts receivable;

that result from Covered Causes of Loss to your records of accounts receivable.
2. In addition to the exclusions and limitations applicable to commercial property coverage, we will not pay for:
 - a. Loss or damage caused by or resulting from electrical or magnetic injury, disturbance or erasure of electronic recordings. But we will pay for direct loss caused by lightning.
 - b. Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal wrongful giving, taking or withholding of money, securities or other property. This exclusion applies only to the extent of the wrongful giving, taking or withholding.

- c. Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions.

3. Determination of Receivables

- a. If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss, the following method will be used:
 - (1) Determine the total average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss occurs; and
 - (2) Adjust that total for any normal fluctuations in the amounts of accounts receivable for the month in which the loss occurred or for any demonstrated variance from the average for that month.
- b. The following will be deducted from the total amount of accounts receivable, however that amount is established:
 - (1) The amount of the accounts for which there is no loss;
 - (2) The amount of the accounts that you are able to re-establish or collect;
 - (3) All unearned interest and service charges.

C. PERSONAL EFFECTS AND PROPERTY OF OTHERS

The coverage limit provided by the Coverage Extension Personal Effects and Property of Others (paragraph A.5.b. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted .

D. VALUABLE PAPERS AND RECORDS

The coverage limit provided by the Coverage Extension **Valuable Papers and Records** (paragraph A.5.c. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted.

E. DETACHED OUTDOOR SIGNS

We will pay for loss or damage to any detached outdoor sign permanently fixed in place as a result of a Covered Cause of loss.

F. FINE ARTS

We will pay for loss or damage to paintings, etchings, pictures, tapestries, art glass windows and other bona fide works of art of rarity, historical value, or artistic merit caused by or resulting from a covered cause of loss.

G. FIRE DEPARTMENT SERVICE CHARGE

The coverage limit provided by the Additional Coverage Fire Department Service Charge (paragraph A.4.c. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted.

H. RECHARGING

We will pay for expenses you incur for the recharging of fire extinguishers or fire extinguishing systems when used to fight fire on your premises or adjacent premises.

I. NEW LOCATIONS COVERAGE

1. You may extend the coverage that applies under these **BLANKET COVERAGE EXTENSIONS** to apply to any premises you acquire.
2. Insurance under this extension for each newly acquired premises will end when any of the following first occurs:
 - a. This policy expires;
 - b. 90 days after you acquire or begin construction at the new premises; or
 - c. You report values to us.

This extension does not apply to locations covered by the Builders' Risk Coverage Endorsement.

Each of the preceding Coverage Extensions is subject to the **PROPERTY COVERAGE EXTENSION ENDORSEMENT, BLANKET COVERAGE EXTENSION LIMIT** shown above.

Each of these extensions is additional insurance. The Additional Condition, Coinsurance, does not apply to these extensions.

II. BUILDING AND PERSONAL PROPERTY COVERAGE EXTENSIONS

A. BUSINESS PERSONAL PROPERTY AND MEDICAL EMERGENCY EQUIPMENT OFF PREMISES

The Coverage Extension — Property Off Premises (paragraph A.5.d. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted and replaced with the following:

1. We will pay up to \$50,000 for loss or damage to Your Business Personal Property and Medical Emergency Equipment while it is away from the described premises, if it is:

- a. Temporarily at a location you do not own, lease or operate; or
- b. In storage at a location you lease, provided the lease was executed after the beginning of the current policy term.

2. This Extension does not apply to Covered Property:

- a. In transit;
- b. In the care, custody or control of your salespersons; or
- c. At any fair or exhibition.

B. FAIRS OR EXHIBITIONS

We will pay up to \$50,000 for loss or damage to Your Business Personal Property while temporarily on display to the public at fairs or exhibitions on premises not owned, operated or leased by the Named Insured. This extension does not apply to your Salespersons Samples or Fine Arts.

C. SALESPERSONS SAMPLES

We will pay up to \$10,000 for loss or damage to:

1. Samples of your stock in trade; and
2. Similar property of others;

while such property is in the care, custody, or control of your salespersons, sales agents, or yourself while acting as a salesperson and not on premises you own, lease or operate.

Coverage does not apply to property on display at any fair or exhibition or to Fine Arts.

D. NEWLY ACQUIRED OR CONSTRUCTED PROPERTY

The Coverage Extension — Newly Acquired or Constructed Property (paragraph A.5.a. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted and replaced with the following:

1. Buildings

If this policy covers Building, you may extend that insurance to apply to:

- a. Your new buildings while being built on the described premises; and

- b. Buildings you acquire at locations, other than the described premises, intended for:

- (1) Similar use as the building described in the Declarations; or
- (2) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$1,000,000 at each building.

2. Your Business Personal Property

- a. If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

- (1) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
- (2) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- (3) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

- b. This extension does not apply to:

- (1) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (2) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

3. Period of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- a. This policy expires;
- b. 90 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- c. You report the values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

E. OUTDOOR PROPERTY

The Coverage Extension — Outdoor Property (paragraph **A.5.e.** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted and replaced by the following:

You may extend the insurance provided by this coverage form to apply to radio and television antennas (including satellite dishes), lawns, trees, plants, and shrubs (other than "stock" of trees, shrubs, or plants), including debris removal expense, while located outside of buildings for the following causes of loss:

- 1. Fire;
- 2. Lightning;
- 3. Explosion;
- 4. Riot or Civil Commotion;
- 5. Aircraft.

The most we will pay for loss or damage under this extension is \$10,000, but not more than \$500 for any one tree, plant, or shrub. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

F. MONEY AND SECURITIES

- 1. We will pay up to \$10,000 for loss of "money" and "securities" by the actual destruction, disappearance or wrongful abstraction from:
 - a. Any location described in the Declarations;
 - b. Any banking premises;
 - c. Outside your premises while being conveyed by a "messenger"; or
 - d. Within the living quarters of any "messenger".
- 2. "Messenger" means you, any of your partners or any employee while having care and custody of the money and securities outside the described premises.
- 3. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and

- b. Travelers checks, registered checks and money orders held for sale to the public.
- 4. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
 but does not include "money".
- 5. In addition to the exclusions and limitations applicable to commercial property coverage, we will not pay for loss:
 - a. Resulting from accounting or arithmetical errors or omissions;
 - b. Resulting from the giving or surrendering of property in any exchange or purchase;
 - c. Of property contained in any money operated device unless the amount of money deposited in it is recorded by a continuous recording instrument in the device.
- 6. You must keep records of all money and securities so we can verify the amount of any loss.

The terms of these extensions of coverage apply separately to each building.

Each of these extensions is additional insurance. The Additional Condition, Coinsurance, does not apply to these extensions.

III. BUILDING AND PERSONAL PROPERTY ADDITIONAL COVERAGES

A. ORDINANCE OR LAW COVERAGE

Paragraph 4.e. **Increased Cost of Construction** of the Additional Coverages Section in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is deleted and replaced by:

1. Application Of Coverage

The Coverage(s) provided by this endorsement apply only if both 1.a. and 1.b. are satisfied and are then subject to the qualifications set forth in 1.c.

- a. The ordinance or law:
 - (1) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
 - (2) Is in force at the time of loss.

But coverage under this Additional Coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this Additional Coverage.

- b. (1) The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or
- (2) The building sustains direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.
- (3) But if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this Additional Coverage even if the building has also sustained covered direct physical damage.

- c. In the situation described in 1.b.(2) above, we will not pay the full amount of loss otherwise payable under the terms of Coverages A, B and/or C of this Additional Coverage. Instead we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Paragraph 7. of this Additional Coverage provides an example of this procedure.)

However, if the covered direct physical damage alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B** and/or **C** of this Additional Coverage.

2. We will not pay under this Additional Coverage for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

3. Coverage

- a. Coverage A — Coverage for Loss to the Undamaged Portion of the Building

With respect to the building that has sustained covered direct physical damage, we will pay under Coverage **A** for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

Coverage **A** is included within the Limit Of Insurance shown in the Declarations as applicable to the covered building and does not increase the Limit of Insurance.

- b. Coverage B — Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of undamaged property.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

- c. Coverage C — Increased Cost of Construction

- (1) With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

- (a) Repair or reconstruct damaged portions of the building; and/or

- (b) Reconstruct or remodel undamaged portions of the building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (a) This coverage applies only if the Replacement Cost Optional Coverage applies to the building loss.

- (b) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

- (c) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction.

- (2) When a building is damaged or destroyed and Coverage **C** applies to that building in accordance with **c.(1)** above, coverage for the Increased Cost of Construction also applies to repair or reconstruction of the following, subject to the same conditions stated in **c.(1)**:

- (a) The cost of excavations, grading, backfilling, and filling;

- (b) Foundations of the building;

- (c) Pilings; and

- (d) Underground pipes, flues, and drains.

The items listed in **(2)(a)** through **(2)(d)** above are deleted from Property Not Covered, but only with respect to the coverage described in this provision, **c.(2)**.

4. Loss Payment

- a. The following payment provisions, **4.b.** and **4.c.**, are subject to the apportionment procedures set forth in section **1.c.** of this Additional Coverage.
- b. When there is a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
 - (1) If the Replacement Cost Coverage Option applies and the property is being repaired or replaced, on the same premises or another premises, we will not pay more than the lesser of:
 - (a) The amount you would actually spend to repair, rebuild or reconstruct the building, but not more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparative quality of the original property insured; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building.
 - (2) If the Replacement Cost Coverage Option applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:
 - (a) The actual cash value of the building at the time of loss; or
 - (b) The Limit Of Insurance shown in the Declarations as applicable to the covered building.
- c. The most we will pay, for the total of all covered losses for Demolition Cost Coverage and Increased Cost of Construction Coverage in any one occurrence is \$250,000. Subject to the applicable Limit of Insurance, the following provisions apply:

- (1) For Demolition Cost we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
 - (2) With respect to the Increased Cost of Construction:
 - (a) We will not pay for the Increased Cost of Construction:
 - (i) Until the property is actually repaired or replaced, at the same or another premises; and
 - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - (b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction is the increased cost of construction at the same premises.
 - (c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction is the increased cost of construction at the new premises.
- 5. The terms of this Additional Coverage apply separately to each building to which this Additional Coverage applies.
 - 6. This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion, to the extent that such exclusion would conflict with the provisions of this Additional Coverage.
 - 7. Under this endorsement we will not pay for loss due to any ordinance or law that
 - a. You were required to comply with before the loss, even if the building was undamaged; and
 - b. You failed to comply with.

8. Example of Proportionate Loss Payment for Building Ordinance coverage losses (procedure as set forth in section 1.c. of this Additional Coverage).

Assume:

- Wind is a Covered Cause of Loss; Flood is an excluded Cause of Loss
- The building has a value of \$200,000
- Total direct physical damage to building: \$100,000
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value
- Portion of direct physical damage that is covered (caused by wind): \$30,000
- Portion of direct physical damage that is not covered (caused by flood): \$70,000
- Loss under Building Ordinance Coverage **C** of this Additional Coverage: \$60,000

Step 1:

Determine the proportion that the covered direct physical damage bears to the total direct physical damage,

$$\$30,000/\$100,000 = .30$$

Step 2:

Apply that proportion to the Building Ordinance loss.

$$\$60,000 \times .30 = \$18,000$$

In this example, the most we will pay under this Additional Coverage for the Coverage **C** loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

NOTE: The same procedure applies to losses under Coverages **A** and **B** of this Additional Coverage.

B. TRANSIT

If the Causes of Loss — Special Form is applicable to this policy, **Section F. Additional Coverage Extension — 1. Property in Transit** is deleted and replaced by the following:

1. We will pay up to \$50,000 for loss or damage to covered property, including emergency medical equipment, while in transit. The loss or damage must be caused by or result from one of the following causes of loss:

- a. A Covered Cause of Loss;
 - b. Collision, upset or overturn;
Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
 - c. Flood;
 - d. Earthquake.
2. Coverage is provided while the property is in the custody of:
 - a. Any railroad, public trucker, private trucker or land transportation company;
 - b. You or anyone else while the Covered Property is in or on vehicles you own, lease or hire;
 - c. Any air transportation carrier;
 - d. Any water transportation carrier;
 - e. Any messenger in charge or control of the Covered Property.
 3. Coverage does not apply to:
 - a. Property in the care, custody or control of your salespersons or you while acting as a salesperson;
 - b. Shipments by mail;
 - c. Property covered under import or export Ocean Cargo Policies;
 - d. Intercoastal water shipments via the Panama Canal; or
 - e. Coastwise water shipments to Alaska.

The Additional Condition, Coinsurance, does not apply to this Additional Coverage.

C. EXTRA EXPENSE

We will pay up to \$50,000 for the actual and necessary Extra Expense you sustain due to direct physical loss of or damage to property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss or damage to personal property in the open or personal property in a vehicle, the described premises includes the area within 1,000 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

1. The portion of the building which you rent, lease or occupy; or

2. Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

1. We will pay any Extra Expense to avoid or minimize the "suspension" of business and to continue "operations":
 - a. At the described premises; or
 - b. At replacement premises or at temporary locations, including:
 - (1) Relocation Expenses; and
 - (2) Costs to equip and operate the replacement or temporary locations;
2. We will pay any Extra Expense to minimize the "suspension" of business if you cannot continue "operations"; or
3. We will pay any Extra Expense to:
 - a. Repair or replace any property; or
 - b. Research, replace, or restore the lost information on damaged valuable papers and records;to the extent it reduces the amount of loss that otherwise would have been payable under this coverage form.
4. "Period of Restoration" means the period of time that:
 - a. Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
 - b. Ends on the earlier of:
 - (1) The date the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

5. "Operations" means your business activities occurring at the described premises.
6. "Suspension" means the slowdown or cessation of your business activities.

D. UTILITY SERVICES COVERAGE

We will pay up to \$25,000 for loss or damage to Covered Property at any described premises resulting from the interruption of service to that premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the described premises:

1. Water Supply Services, meaning pumping stations and water mains supplying water to the described premises.
2. Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:
 - a. Communication transmission lines, including optic fiber transmission lines;
 - b. Coaxial cables;
 - c. Microwave radio relays except satellites.
3. Power Supply Services, meaning utility generating plants, switching stations, substations, transformers and transmission lines supplying electricity, steam or gas to the described premises.

E. ARSON REWARD

We will pay up to \$25,000 for information which leads to an arson conviction in connection with a fire loss covered under this policy. Regardless of the number of persons involved in providing information our liability under this Additional Coverage shall not be increased.

F. COSTS TO PREPARE INVENTORY

1. We will pay up to \$10,000 for expenses you incur in compiling inventories at our request to assist us in determining the amount of a loss covered by this policy.
2. We will not pay for:
 - a. Expenses to prove that loss or damage is covered; and
 - b. Expenses incurred under the Appraisal Loss Condition.
 - c. Expenses or fees you incur from public insurance adjusters or for expenses related to claims not covered by this policy.

G. WATER BACKUP OF SEWERS OR DRAINS

Section B. Exclusions, Paragraph 1.g.(3) of the Causes of Loss Form is deleted.

We will pay up to \$15,000 for loss or damage to Covered Property at any described premises resulting from water that backs up or overflows from a sewer, drain or sump.

H. PENALTY EXPENSE REIMBURSEMENT

We will reimburse you up to \$15,000 for penalties you incur due to your failure to deliver products as required under contracts with your customers. The penalties must result from direct physical loss or damage by a Covered Cause of Loss to Covered Property.

We will pay no more than \$30,000 under this additional coverage in any one policy year.

I. DEBRIS REMOVAL

The coverage limit provided by Additional Coverage A.4.a. Debris Removal in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is increased to \$50,000.

J. PATIENT EVACUATION EXPENSE

We will pay up to \$100,000 for expenses you incur to evacuate patients due to direct physical loss of or damage to Covered Property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss.

Evacuation Expense means necessary expenses you incur during the "period of restoration", to transport patients from the described premises to replacement premises or a temporary location.

"Period of Restoration" means the period of time that:

1. Begins on the date of the evacuation; and
2. Ends on the date the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

K. RADIOACTIVE CONTAMINATION

We will pay up to \$50,000 for loss due to Radioactive Contamination.

Radioactive Contamination, means direct physical loss or damage caused by sudden and accidental radioactive contamination, including resultant radiation damage to the described property.

We will not pay for loss or damage caused by or resulting from Radioactive Contamination if:

1. The described premises contains:
 - a. A nuclear reactor capable of sustaining nuclear fission in a self-supporting chain reaction; or
 - b. Any new or used nuclear fuel intended for or used in such a nuclear reactor.
2. The contamination arises from radioactive material not located at the described premises.

L. LEASEHOLD INTEREST

We will pay up to \$50,000 for loss of Covered Leasehold Interest you sustain due to the cancellation of your lease. The cancellation must result from direct physical loss of or damage to property at the described premises caused by or resulting from any Covered Cause of Loss. Covered Leasehold Interest includes:

1. **Tenants' Lease Interest**, meaning the difference between the:
 - a. Rent you pay at the described premises; and
 - b. Rental value of the described premises that you lease.
2. **Bonus Payments**, meaning the unamortized portion of a cash bonus that will not be refunded to you. A cash bonus is money you paid to acquire your lease. It does not include:
 - a. Rent, whether or not prepaid; or
 - b. Security.

3. **Improvements and Betterments**, meaning the unamortized portion of payments made by you for improvements and betterments. It does not include the value of improvements and betterments recoverable under any other insurance, but only to the extent of such other insurance.

Improvements and betterments are fixtures, alterations, installations or additions:

- a. Made a part of the building or structure you occupy but do not own.
- b. You acquired or made at your expense but cannot legally remove.

4. **Prepaid Rent**, meaning the unamortized portion of any amount of advance rent you paid that will not be refunded to you. This does not include the customary rent due at:

- (1) The beginning of each month; or
- (2) Any other rental period.

IV. OTHER BUILDING AND PERSONAL PROPERTY COVERAGE CHANGES

A. BUILDING DEFINITION

- 1. The following items are added to Section **A. 1. Covered Property, a. Buildings**, of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:
 - a. Attached signs;
 - b. Outdoor fences;
 - c. Lightpoles.
- 2. The second paragraph of Section **A. 1. c. Limits of Insurance** is deleted.

B. PREMISES BOUNDARY

Paragraphs **A.1.a.**, Building, **A.1.b.**, Your Business Personal Property, and **A.1.c.**, Personal Property of Others of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** are amended to increase the distance limitation from within 100 feet of the described premises to within 1,000 feet of the described premises.

V. BUSINESS INCOME COVERAGE EXTENSION

The following coverage extensions apply only if Business Income Coverage is indicated as applicable in the Declarations:

A. DEPENDENT PROPERTIES BUSINESS INCOME

- 1. We will pay up to \$50,000 for the actual loss of Business Income you sustain due to the necessary suspension of operations during the period of restoration. The suspension must be caused by direct physical loss of or damage to property at the premises of a dependent property caused by or resulting from a Covered Cause of Loss.
- 2. We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume operations, in whole or in part, by using any other available:
 - a. Source of materials; or
 - b. Outlets for your products.
- 3. If you do not resume operations, or do not resume operations as quickly as possible, we will pay based on the length of time it would have taken to resume operations as quickly as possible.
- 4. Dependent property means property operated by others whom you depend on to:
 - a. Deliver materials or services, other than water, communication or power supply services, to you, or to others for your account; or
 - b. Accept your products or services;
- 5. Period of Restoration, with respect to dependent property, means the period of time that:
 - a. Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the dependent property; and
 - b. Ends on the date the property at the premises of the dependent property should be repaired, rebuilt or replaced with reasonable speed and similar quality.

Period of Restoration does not include any increased period required due to the enforcement of any ordinance or law that:

- a. Regulates the construction, use or repair, or requires the tearing down of any property; or
- b. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

6. Operations with respect to dependent property, means your business activities occurring at the described premises.

7. Suspension with respect to dependent property, means the slowdown or cessation of your business activities.

B. EXTENDED BUSINESS INCOME

1. Paragraph **A.5.c.(1)(b)(ii)**, of the BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM is amended to read:

- (ii) 180 consecutive days after the date determined in **(1)(a)** above.

Rate Information

Rate data does NOT apply to filing.

Supporting Document Schedules

		Review Status:	
Satisfied -Name:	Uniform Transmittal Document- Property & Casualty	Approved	07-26-2007
Comments:			
Attachment:			
P & C Filing Transmittal.pdf			

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">New Business</div> <div style="width: 40%;"></div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Renewal Business</div> <div style="width: 40%;"></div> </div> f. State Filing #: g. SERFF Filing #: h. Subject Codes
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3. Group Name	Group NAIC #
General Casualty Companies	0796

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Southern Guaranty Insurance Company	WI	19178	63-0350861	
Southern Pilot Insurance Company	WI	22861	56-0773056	

5. Company Tracking Number	100107 10003R
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Sharon Reeve	Rate Development Technician	608-825-5970	608-825-5100	sharon.reeve@generalcasualty.com

7. Signature of authorized filer	
8. Please print name of authorized filer	Sharon Reeve

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	Commercial Property
10. Sub-Type of Insurance (Sub-TOI)	Fire and Allied Lines
11. State Specific Product code(s) (if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Commercial Property
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 10/01/2007 Renewal: 10/01/2007
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	

20. This filing transmittal is part of Company Tracking #	100107 10003R
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We are filing to adopt the attached form CP 8013 04/07 Hospital Property Extension Endorsement. This is an expanded Property form, developed for use with Hospital risks. It is a variation of our extension endorsement, tailored with some additional coverages, unique to this class of business. There is no extra charge for this endorsement.

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
<div data-bbox="159 1528 284 1591"> <p>Check #:</p> <p>Amount:</p> </div> <div data-bbox="159 1843 1474 1906"> <p>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p> </div>	

Effective March 1, 2007

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**